

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
OFFICE OF THE DIRECTOR**

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September 11, 2019

**MEMORANDUM FOR:** Community Development Block Grant  
Non-entitlement areas throughout California

**FROM:** Doug McCauley, Acting Director  
Department of Housing and Community Development

**SUBJECT:** **Substantial Amendment to the State of  
California's 2017-18 Annual Action Plan**

This memorandum serves as the substantial amendment to the State of California's 2017-18 Annual Action Plan (AP). Required by the federal Department of Housing and Urban Development (HUD), the Annual Action Plan is an annual update of California's Consolidated Plan that examines the housing and community development needs and lays out how federal funds will be used to address these needs. This substantial amendment includes the additional Community Development Block Grant (CDBG) program funds made available for the California Department of Housing and Community Development (HCD) 2017 Notice of Funding Availability in addition to HCD's 2017 HUD CDBG program allocation.

The CDBG program provides federal HUD funding for a wide range of public infrastructure and facility projects, public services, economic development, and housing assistance to eligible jurisdictions that do not receive funds directly from HUD (non-entitlement jurisdictions). The primary objective of the CDBG program is the development of viable communities by providing decent housing affordable housing and a suitable living environment and to expand economic opportunities, principally for the benefit of low- and moderate- income persons.

**Please note:** The updates from this substantial amendment will only be described in sections AP-05 Executive Summary, AP-12 Participation, and AP-15 Expected Resources. The changes to the AP are in red font color.

This substantial amendment to the 2017-18 AP will be available for comment from all interested parties for a 30-day period from September 11, 2019 through

October 11, 2019. A public hearing will be held in Sacramento on September 24, 2019.

If you have any questions regarding this substantial amendment, please contact Jessica Hayes, Specialist, Division of Financial Assistance, at (916) 263-6448 or send questions and comments to [capet@hcd.ca.gov](mailto:capet@hcd.ca.gov).

## **AP-05 Executive Summary**

*AP-05 Executive Summary - 24 CFR §91.200(c), 91.220(b)*

### **1. Introduction**

This Annual Action Plan (AP) is the third of five annual updates to the 2015-20 State of California Consolidated Plan (ConPlan). The AP outlines the State of California's (state) current priorities and strategies to address housing and community development goals for the state fiscal year July 1, 2017 through June 30, 2018 (hereafter referred to as FY 2017-18), using federal community development funds from the U.S. Department of Housing and Urban Development (HUD) and from other federal and state sources.

This AP describes projected HUD funding levels for FY 2017-18, state and other resources expected for the year, program operation schedules, goals, objectives, and planned operations for the following six programs:

1. Community Development Block Grant (CDBG)
2. HOME Investment Partnerships Program (HOME)
3. Emergency Solutions Grants (ESG)
4. Housing Opportunities for Persons with AIDS (HOPWA)
5. Lead Hazard Control Program (LHCP) and
6. National Housing Trust Fund (NHTF)

Below is an outline of the goals and objectives addressed in this AP. The NHTF and ESG programs are available statewide. LHCP is available to its contracted communities; (see AP 30). CDBG and HOME are available only to nonurban and rural cities and counties ("non-entitlement" jurisdictions) that do not receive federal funds for these programs directly from HUD. HOPWA provides funds to HIV, housing, and homeless service providers that HUD does not directly fund. The jurisdictions that are eligible for these state-administered funds are identified in *Appendix A, Eligible Jurisdictions*.

## 2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis, or the strategic plan.

Statewide Goals from California 2015-20 Consolidated Plan:

- Increase the supply of affordable rental housing;
- Expand homeownership opportunities and improve existing housing;
- Provide homeless assistance and prevention services;
- Increase economic development opportunities;
- Maintain or increase public services; and
- Maintain or increase public facilities.

In addition to the statewide goals set in the 2015-20 ConPlan, the California Department of Housing and Community Development (hereafter referred to as the Department) has been focusing its efforts on addressing three key housing and community development priorities: 1) Homelessness; 2) Access to Opportunity; and 3) Climate Change. The Department will be providing State Objective points towards furthering these priorities in our CDBG, HOME and NHTF programs. For more information, refer to AP-30 Method of Distribution.

## 3. Evaluation of past performance

***This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.***

See the Department's most recent Consolidated Annual Performance Evaluation Report (CAPER) that discusses FY 2015-16 outcomes for CDBG, HOME, ESG, HOPWA, and LHCP. This document is located at:

<http://www.hcd.ca.gov/policy-research/plans-reports/archive-plans.shtml>.

## 4. Summary of Citizen Participation Process and consultation process

**Summary from Citizen Participation section of plan:**

This AP is subject to federal Citizen Participation requirements at: <http://www.hcd.ca.gov/housing-policy-development/housing-resource-center/reports/fed/docs/Citizen-Participation-Requirements-amended-032012.pdf>. To meet these requirements, the Department solicits input from public, private, and nonprofit organizations and other state agencies in the preparation of the ConPlan and AP updates. Public notices describing the draft documents, inviting comments, and announcing public hearings are routinely emailed to local governments, other interested parties and depository libraries, published in legal newspapers of record, and placed on the Department's website at <http://www.hcd.ca.gov/policy-research/plans-reports/index.shtml>. Paper copies of notices and draft documents are available by written request.

Due to the FY 2017-18 Appropriations Bill and HUD allocation amounts being released late, HUD Community Planning and Development (CPD) Notice, *Waiver of [24 CFR §91.105\(b\)\(4\)](#) and [24 CFR §91.115\(B\)\(4\)](#) Action Plans for Community Planning and Development Program Funds*; the Department's public comment period was 14 days rather than the normal 30 days. This AP was available for comment from all interested parties **Monday, July 10 through Monday, July 24, 2017**. Two public hearings were held: 1 ) Monday, July 17, in Sacramento from 1:00 – 4:00 pm; and 2) Friday, July 21, in Riverside from 12:00 – 3:00 pm. The Sacramento public hearing was also a webinar, allowing community members statewide to participate. Webinar details were posted on the Department's website, provided in public and legal notices, as well as disseminated in a listserv message.

On May 5, 2017, President Trump signed the Fiscal Year (FY) 2017 federal budget into law (Public Law 115-31). In the FY 2017 budget, Congress appropriated an additional \$40 million in Supplemental Emergency Solutions Grants Program (ESG) funds. HUD made the funds available through a formula allocation to assist communities who lost significant capacity to serve the homeless after January 2016. These funds can be used for Rapid Rehousing (RR) and all other critical eligible ESG activities. HUD selected California to receive the following amount in addition to the Department's FY 2017 ESG allocation:

- ESG FY 2017 Allocation                \$11,733,174
- ESG Supplemental Allocation:       \$273,201
- Total FY2017 ESG Allocation:       \$12,006,375

Due to the additional ESG funds, the Department went out for a second 14-day public comment period. The Department has also included changes for the upcoming 2017 CDBG NOFA and changes to [HUD Regulation 24 CFR Parts 91 and 92](#) regarding Program Income Repayments and Recaptured Fund(s) requirements ([24 CFR §92.320](#)). The comment period was from **Friday, August 4 through Thursday, August 17, 2017**. ***Only comments regarding the additional ESG funds, 2017 CDBG NOFA, and 24 CFR Parts 91 and 92 changes were accepted.*** All comments were required to be received by **5:00 pm on Thursday, August 17, 2017**. No additional public hearings were held.

For questions regarding this document, please send them to [caper@hcd.ca.gov](mailto:caper@hcd.ca.gov) or to The Department of Housing and Community Development, Division of Financial Assistance, 2020 West El Camino Ave, Sacramento, CA 95833, Attention 2017-18 Annual Action Plan.

### **2019 Substantial Amendment**

The 2019 substantial amendment to this AP will be available for comment from all interested parties for a 30-day period from September 11, 2019 through October 11, 2019. A public hearing will be held in Sacramento on September 24, 2019.

## **5. Summary of public comments**

See AP-12 for a summary of public comments and responses.

### **2019 Substantial Amendment**

To be completed at the end of the public comment period.

## **6. Summary of comments or views not accepted and the reasons for not accepting them**

Please see AP-12 for a summary of public comments and responses. Summary of public comment's (entire public comments have also been attached). All comments, both accepted and not accepted and the Department's reasons are reflected in the public comment spreadsheet.

### **2019 Substantial Amendment**

To be completed at the end of the public comment period.

## **AP-12 Participation**

*AP-12 Participation - 91.115, 91.300(c)*

### **Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

**CDBG** – In 2017-18, the Department in collaboration with stakeholders is redesigning the program to improve expenditure rates, utilize program income, improve monitoring, and achieve other operating efficiencies. The Department has developed an outreach plan that includes participation through surveys, public comment periods, and in-person meetings throughout the state. The Department's goal is for stakeholders to collaborate with the Department in redesigning the program as well as be informed of proposed program changes. For changes to the annual Notice of Funding Availability (NOFA), the Community Development Block Grant (CDBG) Advisory Committee is consulted on proposed changes.

**ESG** – Upon completion of the funding award for 2016 Emergency Solutions Grant (ESG), the Department conducted stakeholder interviews with Administrative Entities (AEs) and Continuum of Cares (CoCs), to get feedback that was used to improve the 2017 ESG application, NOFA, and award package. Information in these interviews was focused on funded programs, implementation of the 2016 award, and anticipated timeline for 2017. The information was attained in a one-on-one conference call format with CoCs and AEs. Further, potential and required changes to the AP were released to all CoCs and AEs with the opportunity to provide input in a group conference call. Information from the stakeholder interviews and AP conference calls was used to improve the process for 2017.

**HOME** – Issues discussed in the past year with the Program Advisory Committee (comprised of HOME-eligible cities and counties, Community Housing Development Organizations (CHDO), consultants, and other developers doing HOME projects), include, but are not limited to: (1) recent changes to the HOME Federal Regulations; (2) how the state plans to implement those changes; (3) activity expenditure issues; (4) any potential changes in eligible applicant(s); activities or projects; and (5) NOFA timing.

**CDPH/OA (HOPWA)** - the California Department of Public Health, Office of AIDS (CDPH/OA) Housing Opportunities for Persons With AIDS (HOPWA) conducts the statewide Comprehensive Statement of Need and Prevention, and Care Plan



(the Plan) in collaboration with multiple state and local agencies, and consumer/citizen participation. CDPH/OA convenes the CPG that serves as advisory to CDPH/OA in this process, and CPG monitors the implementation of the Plan. CPG is comprised of HIV care and prevention stakeholders including county health department staff, local HIV service organizations, and consumers with various expertise in HIV/AIDS care and prevention treatment. CPG members identify best approaches to addressing unmet housing needs for People Living With HIV (PLWH). The Plan has several housing-related activities, including the creation of a CPG subcommittee to address housing services. The subcommittee would identify the most effective housing services, best practices for integrating HIV health and housing providers and encouraging local collaboration, and methods for collaborative funding and service delivery. They will develop a written plan in Year three which could be implemented at the state and local levels.

CPG is integral to gaining access and engaging local consumer/citizens in the planning process, and provides an opportunity for citizen participation around HIV/AIDS issues, including housing.

**Summary of citizen participation process and efforts made to broaden citizen participation in Colonias.**

Currently, within the CDBG Program, citizen participation conducted with Colonia's is done through the staff of County of Imperial. County staff is in regular contact with leaders in the Colonias communities. The other AP Programs do not directly fund activities in Colonias. **See AP 48 and AP 80** for further discussion of Colonias.

**Citizen Participation Outreach**

Please see public comments and responses below. For entire scripts of public comments, please see attachments on website.

**SUMMARY OF PUBLIC COMMENTS AND RESPONSES**

**First 14-DAY PUBLIC COMMENT PERIOD (July 10 – 24, 2017)**

Second 14-day PUBLIC COMMENT PERIOD (August 4 – 17, 2017)

FY 2017-18 Annual Action Plan

[24 CFR part 91](#)

***This document represents the actual comments copied from comment letters sent to the Department of Housing and Community Development (HCD) and HCD's response to those comments.***

First Public Comment Period

Item #	General Comments	Department Response
1.	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> Clearly define references to “special needs” populations to include people with all disabilities, including specifically identifying people with mobility and sensory disabilities (which of course overlaps with seniors) who need accessible housing as well as those with mental health or intellectual disabilities who may need supportive housing, and plan for all of their needs (page 2, first paragraph).</p>	<p><b>Response:</b> Change made. The Department has included language in the Annual Action Plan (AP) that specifically identifies special needs people with mobility and sensory disabilities and mental health or intellectual disabilities. The 2015-2020 Consolidated Plan (ConPlan) discusses special needs populations in further detail. Subsequent ConPlans will be updated after the Department finalizes the Assessment of Fair Housing (AFH) analysis and report.</p>
2	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> Include a goal to increase the supply of accessible housing to complement your goal to “increase the supply of affordable housing” and corresponding actions (page 2, first paragraph).</p>	<p><b>Response:</b> No Change. The AP goals are established as part of the five-year ConPlan cycle. The Department will consider goal(s) specific to accessible housing as part of the next comprehensive ConPlan process. Additionally, pursuant to the Department's obligations under the Affirmatively Further Fair Housing (AFFH) and the subsequent AFH report, the Department will also analyze and further discuss these issues in that context.</p>

3	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> Adding a specific action for this coming year to make full compliance with all federal and state accessible development requirements, including California Building Standards Code Chapter 11B (CBC 11B) and 24 C.F.R. Part 8, a requirement for grantees and subgrantees of Action Plan programs funding new construction and substantial rehabilitation of multifamily housing. This will ensure accessibility for people with mobility and sensory disabilities in developments funded by Action Plan programs (page 2, first paragraph).</p>	<p><b>Response:</b> No change. Full compliance with all state and federal accessible development requirements is already required in the Department’s Standard Agreement and the Project Setup and Completion Report.</p>
4	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> In line with HUD mandates, HCD highlights “homelessness and special needs” in its 2017 Priority Areas under AP-75 Barriers to Affordable Housing. The term “special needs” encompasses a wide variety of groups, and we urge you to clarify that people with a wide variety disabilities are part of this group and part of HCD’s priorities. The term “special needs” can cover veterans, families, survivors of domestic violence, and people experiencing chronic homelessness. These groups generally (and “chronic homelessness” by definition) overlap with the disability community, which in itself includes a wide variety of individuals with differing needs. 24 C.F.R. Parts 91 and 578. As HCD sets priorities, it is imperative to clearly define “special needs” and plan for the particular needs of people with different types of disabilities. And, of course, people who are homeless include people with a wide range of disabilities that need to</p>	<p><b>Response:</b> No change. Please see response to comment number one for response.</p>

	be addressed in homelessness programs (page 2, second paragraph).	
5	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> We appreciate that HCD's overview of the Analysis of Impediments and Assessment of Fair Housing processes addresses racial disparities in housing, but we also urge HCD to more fully comply with its obligation to account for other marginalized groups, especially people with disabilities. The upcoming Assessment of Fair Housing specifically requires the state to analyze housing barriers that people with disabilities face. The Annual Action Plan should address actions taken under the Analysis of Impediments to address barriers for the disability community. It should also describe how the Assessment of Fair Housing will identify ongoing barriers and create policies to address the needs of people with disabilities (page 3, first paragraph).</p>	<p><b>Response:</b> No change. Pursuant to HUD requirements, it is the Consolidated Annual Performance Evaluation Report (CAPER) that requires the Department to address actions taken under the Analysis of Impediments (AI). The Department describes those actions in appendices in the annual CAPER. Additionally, the Department will address the ongoing barriers and create policies, in collaboration with stakeholders, to address the needs of people with disabilities' when the Department completes the AFH analysis and subsequent report. The Department believes it is necessary to have the AFH analysis completed to make informed good public policy decisions.</p>
6	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> Goal 1 must specify how many accessible units HCD expects to fund through Action Plan programs. These indicators should also include 54 mobility accessible units and 22 sensory accessible units for new construction as well as 16 mobility accessible units and 7 sensory accessible units for rehabilitation. Adding these indicators would make Action Plan programs consistent with CTCAC's minimum requirements for accessible development, as described below, and with federal law. (page four, first sentence)</p>	<p><b>Response:</b> No Change. The Department has checked the goal outcome indicators associated with the AP requirements in IDIS. There is no requirement that the number of accessible units be specified in the AP. Requiring consistency with the TCAC minimums accessible standards or increasing accessible standards above the federal requirement necessitates each federal</p>

7	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> It is also necessary to plan for the needs of people with disabilities in homeownership. Goal 2 “Expand homeownership and improve existing housing” should include in its description activities to assist homeowners with accessibility modifications. Homeowners with disabilities often need structural modifications to make their homes accessible. This goal must acknowledge and budget for these necessary accessibility modifications (page four, second paragraph).</p>	<p><b>Response:</b> No change. Accessibility modifications are currently an eligible use of homeowner funds within rehab projects and new construction; nevertheless, the Department will consider clarifying language as it relates to this goal when we develop goals for our next ConPlan cycle.</p>
8	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> We recommend adding accessibility requirements to all Action Plan programs that fund new construction and substantial rehabilitation of multifamily housing so that HCD can comply with its federal and state obligations (page 4, third paragraph).</p>	<p><b>Response:</b> No change. The Department’s accessibility requirements are specified in our Standard Agreement, which is the Department’s enforcement mechanism for these requirements. Additionally, these requirements are in the Project Setup and Completion Report required by the Department of its grantees.</p>
9	<p><u>Disability Rights California Comment:</u></p> <p><b>Comment:</b> In order for HCD to fully comply with accessibility and community integration mandates in federal and state law, it must incorporate the minimum standards explained in the following sections of this letter into Action Plan programs funding new construction and substantial rehabilitation of multifamily housing (page 5, fourth paragraph).</p>	<p><b>Response:</b> No change. The Department enforces requirements with applicable accessibility laws through its Standard Agreement.</p>
10	<p><u>Disability Rights California</u></p>	<p><b>Response:</b> No change. Please see response to comment number eight for response.</p>

	<p><b>Comment:</b> Annual Action Plan Programs Should Include a Threshold Requirement for Accessible Units and Accessibility Standards and Policies, as a Matter of Good Public Policy and as Required by Federal and State Law. The Annual Action PI must reflect HCD's statutory obligations on accessibility (page 6, heading and first paragraph).</p>	
11	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> It should include a plan to impose and enforce requirements that housing projects include a minimum percentage of units accessible to people with mobility and sensory disabilities (page 6, first paragraph, second sentence).</p>	<p><b>Response:</b> No change. Please refer to comment eight for response.</p>
12	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> HCD must also identify accessibility standards for those units and adopt related policies, including distribution of units, waiting list priorities, and development standards. In all of these areas, HCD is out of compliance and must adopt an action plan to become compliant (page 6, first paragraph, third sentence).</p>	<p><b>Response:</b> No Change. This is a broad overview statement. The accessibility standard issue is discussed in number sixteen below. Distribution of units, waiting list priorities and development standards are discussed in number eighteen and nineteen below.</p>
13	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> We applaud HCD's past work with DRC to adopt similar requirements in its other housing programs, including the Veterans Housing and Homelessness Prevention (VHHP) Program, as well as the Action Plan's reference to these requirements as part of the National Housing Trust Fund (NHTF) program. We urge you to</p>	<p><b>Response:</b> No change. Please see comment number six for response.</p>

	include these requirements for other programs in the Annual Action Plan funding new construction and substantial rehabilitation of multifamily housing (page 6, second paragraph).	
14	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> HCD's requirements in the Annual Action Plan should reflect these requirements that additional specific modifications requested by an individual in a unit that already meets physical accessibility standards, be made (page 7, last paragraph).</p>	<p><b>Response:</b> No change. Modification requested by an individual in a unit must be addressed at the project level through individual project reasonable accommodation process, which are policies required of by the Department.</p>
15	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> HCD must add a threshold requirement that Action Plan housing programs be meaningfully accessible to people with mobility and sensory disabilities (page 8, first sentence).</p>	<p><b>Response:</b> No change. Please see comment eight for response.</p>
16	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> Accessibility Standards: As a recipient of federal funds, HCD is required to utilize either the Uniform Federal Accessibility Standards (UFAS) standards, 24 C.F.R. §§ 8.20-8.22, or HUD's modified version of the 2010 ADA Standards for Accessible Design, HUD-2014-0042-0001, 79 F.R. 29671 (5/27/14). See <a href="https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas">https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas</a> and <a href="https://www.regulations.gov/document?D=HUD-2014-0042-0001">https://www.regulations.gov/document?D=HUD-2014-0042-0001</a>. HCD must make these requirements specific</p>	<p><b>Response:</b> No Change. The Department, as the recipient, must make sure that the subrecipient knows of and utilizes either the UFAS or the 2010 ADA standards. The requirements are already specified in federal regulations (as referenced by DRC in their letter). There is no requirement that the Department must choose either the UFAS or the 2010 ADA standards in the AP. Rather, the subrecipient will make that choice. The Department will then monitor by requiring proof of compliance via building certificates and other documentations from the subrecipients.</p>

	in its housing programs. This will ensure HCD's compliance with its federal obligations, as well as the compliance of programs funded by HCD (page 9, first paragraph under Accessibility Standards).	
17	<p><u><i>Disability Rights California</i></u></p> <p><b>Comment:</b> We also encourage you to make explicit in the Annual Action Plan that grantees and subgrantees must implement other accessibility requirements of 24 C.F.R. Part 8 (page 10, first sentence).</p>	<p><b>Response:</b> <i>No Change. Compliance with 24 CFR Part 8 is addressed in the Department's Standard Agreement, which is our enforcement mechanism for these requirements.</i></p>
18	<p><u><i>Disability Rights California</i></u></p> <p><b>Comment:</b> The programs of the Action Plan must require that accessible units be distributed throughout projects and sites and shall be available in a sufficient range of sizes and amenities so that a qualified individual with disabilities' choice of living arrangements is, as a whole, comparable to that of other persons eligible for housing assistance under the same program, as required by federal law (page 9, second paragraph).</p>	<p><b>Response:</b> <i>No Change. There is nothing in 24 CFR Section 8.26 or the TCAC regulations at Section 10325(f)(7)(K) that mandates the Department to specify in the AP these requirements. This does not mean that subrecipient can ignore law that is applicable to them. These federal and California laws apply to projects if triggered by their funding sources (or tax credits). It is not necessary to repeat in the AP what is already required by federal or state law.</i></p>
19	<p><u><i>Disability Rights California</i></u></p> <p><b>Comment:</b> Grantees and subgrantees must also impose the requirements of 24 C.F.R. § 8.27. This includes adopting policies and practices to affirmatively advertise accessible units to people who have disabilities requiring the available features. Additionally, there must be waiting list procedures that prioritize for newly vacant accessible units first existing tenants with disabilities, then new applicants with disabilities before offering such units to</p>	<p><b>Response:</b> <i>No Change. The Department subrecipients must adhere to the requirements of 24 CFR Section 8.27, which already require adoption of suitable, means for information to each eligible individuals with handicaps (i.e. advertisements) as well as waitlist requirements. Therefore, it is not necessary to repeat in the Annual Plan what federal law already requires.</i></p>



	<p>anyone without disabilities requiring available features. In instances where an accessible unit is offered to someone not requiring the features, owners should require the tenant to move to a non-accessible unit when available. We note that this final recommendation is optional in the federal regulations, but it is a critical step to ensuring that accessible units are available for people with a need for them (page 9, third paragraph).</p>	
20	<p><u><i>Disability Rights California</i></u></p> <p><u>The Annual Action Plan Must Acknowledge and Plan to Reduce Barriers to People with Disabilities in the Coordinated Entry System.</u></p> <p><b>Comment:</b> Many housing units developed as a result of the Action Plan programs will be filled through the Coordinated Entry System (CES). ...It is especially important to outline these issues in the Action Plan's Barriers Section. The Action Plan must acknowledge and address the barriers created by the CES's call for detailed personal information. ...We urge HCD to require Action Plan programs using a CES or similar selection criteria to have a clear reasonable accommodation process to address the particular needs of people with disabilities (page 11, first sentence).</p>	<p><b>Response:</b> No change. Coordinated Entry System (CES) regulations and guidance addressing confidentiality and the disclosure of information regarding a persons disability is provided by HUD, not the Department. Persons with disabilities are not required to disclose information if they choose not to. Reasonable accommodation policies are also addressed through the HUD CES guidance.</p>
21	<p><u><i>Disability Rights California</i></u></p> <p><b>Comment:</b> Second, it is critical that a CES ensure that physically accessible dwelling units are occupied by people who need the accessibility features due to a disability. HCD should require Action Plan programs using</p>	<p><b>Response:</b> No change. The Department will follow the U.S. Department of Housing and Urban Development (HUD) guidance regarding CES requirements.</p>

	a CES or similar system to identify and include accessible units, provide reasonable accommodations and modifications, and incorporate 24 C.F.R. Part 8's prioritization requirements for accessible units within the system (page 11, first sentence).	
22	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> Many of HCD's programs, including the new No Place Like Home (NPLH) program designed to provide supportive housing for people with mental health disabilities, follow the "Housing First" approach. We strongly support Page 12 of 14 that approach and supportive housing policies that: 1) require that services be voluntary, 2) require that each person or household have a separate lease; 3) require strong supportive services. We encourage HCD to make sure these requirements are mandatory in all supportive housing projects funded by Action Plan programs (page 11, third paragraph).</p>	<p><b>Response:</b> No change. Making supportive services mandatory is not the function of the AP. Requiring supportive services be a mandatory requirement would require a state regulation or guideline change for each individual federal program. Additionally, any changes made would have to stay within the bounds of federal regulations and guidance on this matter.</p>
23	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> Moreover, programs should be clearly required to provide reasonable accommodations/modifications, and effective communications in accordance with federal and state law. 24 C.F.R. § 8.20 and 24 C.F.R. § 8.6. It is imperative that the Annual Action Plan address community integration and housing segregation for people with disabilities (page 12, middle of second paragraph).</p>	<p><b>Response:</b> No change. These requirements for reasonable accommodations/modifications, and effective communications in accordance with federal and state law are enforced through our Standard Agreement. Specific community integration/segregation requirements are addressed through State regulations or guidelines.</p>
24	<p><u>Disability Rights California</u></p>	<p><b>Response:</b> No change. The Department will be assessing integration and segregation in its AFH report and develop subsequent policy recommendation to address barriers found in</p>

<p><b>Comment:</b> We recommend incorporating qualitative factors to assess whether supportive housing funded through Action Plan programs will meet community integration criteria. Medicaid's Home and Community-Based Settings program (HCBS) provides a useful guide for assessing whether a residential setting fosters independence and community integration for residents with disabilities. HCBS uses a "person-based" approach with an emphasis on individual choice. For example, in assessing programs, Medicaid considers whether residents not in the HCBS program participate in community based activities to the same extent as individuals in the program. Medicaid also considers whether program participants are employed or otherwise active in the community beyond the building and whether participants have full access to the outside community. Annual Action Plan programs funding supportive housing should require applicants to address such qualitative factors in its application and ensure that funded projects monitor the effectiveness of their plans. This will also make it easier for supportive housing providers to utilize Medicaid waiver dollars for services. Supportive housing projects should also utilize types of architectural design that encourage community integration. For example, community spaces should be located in an area convenient for all tenants and should adhere to physical accessibility standards. Housing Page 13 of 14 providers should not impose guest limitations on tenants receiving subsidies in mixed projects (page 12, second paragraph).</p>	<p><i>our analysis. Additionally, the Department has done this in the state NPLH and VHHP program guidelines. Thus, in order to make changes of a similar nature to the federal programs, these changes will need to be made in the state program regulations or guidelines and cannot be made through the AP process. The Department will consider these changes while developing the AFH report as well as in future program regulation and guideline changes.</i></p>
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25	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> We recommend that the Annual Action Plan address both community integration and segregation in its discussion of housing barriers (page 13, last paragraph).</p>	<p><b>Response:</b> No change. Please see comment twenty-four for response.</p>
26	<p><u>Disability Rights California</u></p> <p><b>Comment:</b> The Plan should also ensure that its programs funding supportive housing include requirements to promote community integration and reduce segregation (page 13, last paragraph).</p>	<p><b>Response:</b> No change. Please see comment twenty-four for response.</p>
27	<p><u>Gustavo Becerra, Executive Director Regional Housing Authority</u></p> <p><b>Comment:</b> Please allow HOME funds to be coupled with 9% tax credit deals (from attached email).</p>	<p><b>Response:</b> No Change. HOME funds coupled with 9% credits deals are constrained by the fact that pursuant to federal project commitment deadlines. Project's must begin construction within three years of when the funds become available to the State. This is difficult if they do not get their 9% tax credits within one year after getting their HOME award from HCD. If the project does not secure their 9% tax credits within a timely manner, the Department cannot re-program our award from that project to another project and still meet the same HUD commitment deadlines. Those funds then cannot be used and are returned to HUD.</p>
28	<p><u>G. David Singleton, Principal Community Development Consultant</u></p> <p><b>Comment:</b> First, I recommend that the Housing &amp; Community Development Representatives (HDR Reps) of HCD be given lateral authority to stimulate local decisions regarding the use of federal/state CDBG funds as laid out in the 1973 federal legislation. This would include guidance to local jurisdictions on the Grant Management</p>	<p><b>Response:</b> No change. The Department is currently undergoing a CDBG redesign with stakeholder engagement and the Advisory Committee involvement. Additionally, the Department will be receiving Technical Assistance (TA) from HUD for the CDBG program in the upcoming year. The Department plans to address concerns you brought up through the redesign and HUD TA process.</p>

	Manual, assistance in solving project problems; the HDR Reps would serve as kind of a 'One-Stop Servicing Unit,' instead of HCD parceling out several functions to layers of the HCD bureaucracy, to some confusion to the local jurisdiction. It would also aid in grantee-grantor communication, something has been a problem with HCD, and a reason for the 2015 passage of AB 325, signed into law by the Governor (from attached email).	
29	<p><u>G. David Singleton, Principal Community Development Consultant</u></p> <p><b>Comment:</b> I recommend the re-instatement of the California Indian Assistance Program (CIAP). I believe that the tribes, surveyed by the California Coalition for Rural Housing, the preparer of the Tribal Housing Study, have heavily supported this re-instatement. This unit, CIAP, with which I am very familiar, has been extremely helpful to California Tribes, both federally recognized and non-federally recognized, bringing to those bodies hundreds of millions of dollars, much of which would have never come to California as the source of the funds was outside that for which the State of California was entitled (from attached email).</p>	<p><b>Response:</b> No Change. The California Indian Assistance Program (CIAP) was a technical assistance focused program and lasted nearly four decades. The Department programs change as availability of funding sources change. The Department is currently exploring new ways to offer technical assistance to meet the needs of all Californians including California Tribes.</p>
30	<p><u>G. David Singleton, Principal Community Development Consultant</u></p> <p><b>Comment:</b> Regarding the HCD Native American Allocation, generated by the formula established in the Health &amp; Safety Code, should allow all the activities provided in the 1973 federal legislation and the regulations of the U.S. Department of Housing and Urban</p>	<p><b>Response:</b> No Change. The Department's programs have specific state objectives and focus on housing and other areas such as Social Services or General Services, Public Services or Public Facilities projects. Non-federally recognized tribes can apply for CDBG funding but it is limited to housing or housing related activities. Housing related activities would benefit residents or household of the housing built. State CDBG funding may be used</p>

	<p>Development (HUD). The allocation is now limited to housing and denies the eligible non federally recognized tribes from applying for funds to support economic development, public services or public facilities projects, much to the chagrin of those California tribes, and a reason eligible tribes have failed to apply for the Native American allocation funds since 2008 (from attached email).</p>	<p><i>for non-federally-recognized tribes within non-entitlement areas, and the state has established a Native American set-aside of funds for this purpose. California law sets aside 1.25% of the state's annual CDBG allocation for grants to cities and counties that apply on behalf of non-federally recognized tribes. These grants must be used for areas comprised of no less than 51% of Native Americans from non-federally recognized tribes.</i></p>
31	<p><u>Cox Consulting, Terry Cox</u></p> <p><b>Comment:</b> In the draft FY 17/18 Annual Action Plan that's taking comments until 7/24, on p. 32 it still includes activity minimums and public services are not listed. On p.33 it says all funds for ED will be allocated for OTC and PTA's- no Enterprise Funds? (from attached email)</p>	<p><b>Response:</b> Change made. The AP has been updated to reflect the final 2017 CDBG NOFA changes based on feedback from stakeholders and the CDBG Advisory Committee.</p>
32	<p><u>Geoffrey M. Ross, Assistant Director, Development, Sacramento Housing and Redevelopment Agency</u></p> <p><b>Comment:</b> First, I would request, that as part of the 2017 Annual Plan public comment that HCD reconsider that a jurisdiction receiving funds for operation within its own geographical boundaries, but also receiving funds as an Administrative Entity for another jurisdiction outside of its traditional geographical boundaries be able to operate the full array of programmatic options within its own geographical boundary. In the case of Sacramento this would mean being able to undertake both shelter and rapid rehousing within Sacramento County's boundaries while using State ESG funds; however, within the boundary of</p>	<p><b>Response:</b> NO Change. The Department's purpose for allowing an ESG Administrative Entity (AE) to administer the funds of a Balance of State (BoS) Continuum of Care (CoC) was to increase the amount of funds dedicated to Rapid Rehousing (RR) by contiguous CoCs and to foster collaboration in the use of those funds. RR is an ideal activity for cross-county collaboration and resource sharing because it is not site-based, in contrast to Emergency-Shelter (ES) activities.</p> <p><i>The Department is open to having discussions with counties that encourage more collaboration between AE and BoS where that collaboration will have a demonstrated programmatic benefit to both CoC Service Areas; however, we will refrain from making major changes to the program so soon after the initial redesign so that we have sufficient opportunity to assess the impact of the redesign over time. Note also that AE/BoS Service Area</i></p>

	<p>Solano County the administration could continue to be limited to Rapid Rehousing only.</p> <p>Second, in anticipation of the 2018 NOFA similar to the request for 2017 state above, Sacramento intends to use State ESG funds to support the potential creation of a triage center (shelter) as well as housing assistance activities (rapid rehousing) in support of the realignment of our larger homeless system where we are preparing to deploy up to 1755 Housing Choice Vouchers and Conventional Public Housing units to house the homeless. We view this added flexibility as critical to create wrap around service opportunities for homeless receiving public housing assistance to ensure long-term permanent housing solutions to end homelessness for those coming through our system. This requires the full array of programmatic activity to be available within our traditional geographical boundary (Sacramento County). For Solano County, we have coordinated with their Continuum of Care and have articulated that given the funding available to Solano County the more efficient and effective program to offer is Rapid Rehousing. There is not enough systems alignment at this time to effectively support shelter operations using State ESG funds within Solano County given the geography involved. Our intent would be to continue to incubate Solano County's program until such time that they can administer directly and then offer the full array of program activities (from attached email).</p>	<p><i>collaborations can also be limited to the term of the current AE certification period.</i></p>
33	<p><u>Sandy Piekarski, Senior Development Planner</u></p> <p><u>Sacramento Housing and Redevelopment Agency</u></p>	<p><b>Response:</b> No Change. Please see the above comment 32 for response.</p>

**Comment:** SHRA requests as par to the 2017/2018 Annual plan public comment period – that the State of California Department of Housing and Community Development (HCD) reconsider that an Administrative Entity (AE) administering two contiguous jurisdictions (e.g., Sacramento, Vallejo/Solano) only be allowed to provide rapid re-housing services (RR) as stated below on page 38, and in §8403 C.1.A – Continuum of Care Allocation. As one of the largest Entitlement recipients from the U.S. Department of Housing and Urban Development within the State of California SHRA possess the necessary capacity required to operate a full spectrum of activities within Sacramento County while partnering with the adjacent jurisdiction on Rapid Rehousing. As such, SHRA respectfully requests the revisions below

Describe how resources will be allocated among funding categories (the following is a discussion of federal ESG Funds)

Federal ESG funds are discussed as a separate source of funding later in the AP to the extent that there are differences between the two sources of funds. Federal ESG Regulations cap the amount that can be allocated to eligible projects under the SO and ES Components at 60 percent of the Departments annual CoC Allocation awarded by an AE before RR except that if funds are administered by an AE for tow contiguous SAs. In this scenario, 100 percent of the funds must be used for RR.

Requested additional text: An AE for another jurisdiction outside of its traditional geographical boundaries is able to



	<p>operate the full array of programmatic options within its own geographical boundary. In the case of Sacramento this would mean ESG allocation being able to undertake shelter, outreach, HMIS, prevention, RR and administration within Sacramento County's boundaries; however, within the boundary of Solano County the Federal ESG allocation would continue to be limited to RR only until such time Solano County no longer desires an AE. An AE will determine the allocation of CA ESG and Federal ESG after consultation with the Coc and County for its CoC's geographical boundary.</p>	
34	<p><u>Sandy Piekarski, Senior Development Planner</u> <u>Sacramento Housing and Redevelopment Agency</u></p> <p><b>Comment:</b> In order to streamline the process and to ensure necessary documentation SHRA encourages that the requirements for the "governing body resolution authorizing language" refer to executed budget forms rather than the current practice of entering the allocation amount into the resolution itself. Proposed sample language below would limit the need for AE's to return to governing bodies multiple times. According to this suggest budget form(s) would be signed by the executive officer, or designee, authorized by the resolution. This would simplify the process and the expedition of returned forms to the State. Sample resolution language:</p> <p>Section 3. [AE Name] is hereby authorized and directed to receive an ESG grant, as described in ESG Budget and Match form in accordance with all rules and laws. The Executive Director, or designee, is further authorized to</p>	<p><b>Response:</b> No Change. The Department is constrained by current State administrative requirements regarding changes to our sample Authorizing Resolution for ESG. For this reason, we recommend using the sample provided with the current Application form.</p>

<p>amend the [AE Name] budget accordingly. If the Department award is less or greater than anticipated the Executive Director, or designee, is hereby authorized to execute revised or amended forms as determined by the Department. Execution of revised or amended forms ensures the timely completion of the activities set out in the 20xx One-Year Action Plan. If an ESG Budget and Match form revision or amendment is executed, the [AE Name] is authorized to amend its budget accordingly.</p>	
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*Table 3 – Citizen Participation Outreach*

This AP was available for public comment from all interested parties for a 14-day period from **Monday, July 10 through Monday, July 24, 2017**. It was sent via e-mail to interested parties through the Department’s listserv notices. Two public hearings were held: 1 ) **Monday, July 17**, in Sacramento from 1:00 – 4:00 pm; and 2) **Friday, July 21**, in Riverside from 12:00 – 3:00 pm. The Sacramento public hearing was also a webinar, allowing community members statewide to participate. Webinar details were posted on the Department’s website, provided in public and legal notices, as well as disseminated in a listserv message. A summary of comments received on the draft AP and responses were provided at the end of the public comment period.

Due to the additional ESG funds, the Department went out for a second 14-day public comment period. The Department has also included changes for the 2017 CDBG NOFA and changes to HUD Regulation 24 CFR Parts 91 and 92 regarding Program Income Repayments and Recaptured Fund(s) requirements (24 CFR §92.320. The comment period was from **Friday, August 4 through Thursday, August 17, 2017**. ***Only comments regarding the additional ESG funds, 2017 CDBG NOFA, and 24 CFR Parts 91 and 92 changes were accepted.*** All comments must be received by **5:00 pm on Thursday, August 17, 2017**. No additional public hearings were held.

If you wish to submit comments, please send them to [caper@hcd.ca.gov](mailto:caper@hcd.ca.gov) or to The Department of Housing and Community Development, Division of Financial Assistance, 2020 West El Camino Ave, Sacramento, CA 95833, Attention 2017-18 Annual Action Plan.

### **2019 Substantial Amendment**

The substantial amendment to this AP will be available for comment from all interested parties for a 30-day period from September 11, 2019 through October 11, 2019. A public hearing will be held in Sacramento on September 24, 2019.

## **AP-15 Expected Resources**

*AP-15 Expected Resources – 91.320(c) (1,2)*

### **1. Introduction**

This is the third year of the 2015-20 Consolidated Plan (ConPlan) cycle. The annual allocation estimates below are based on HUD's formula allocation for Federal Fiscal Year 2017 (October 2016-September 2017). The annual allocation amounts for HOME include the allocation for entitlement jurisdictions of Gardena, Lancaster, and Torrance that have returned these funds to HUD for allocation to the state in order for those jurisdictions to participate in the state HOME Program.

Historically, the annual allocation estimates for Housing Opportunities for Persons With AIDS (HOPWA) included the allocation for the Eligible Metropolitan Statistical Areas (EMSA) of Bakersfield, which has relinquished grantee responsibilities to the California Department of Public Health, Office of AIDS (CDPH/OA). Bakersfield will be assuming grantee responsibility for the 2016 allocation, and therefore it is not included in 2017 annual allocation below. In addition, Santa Rosa will be assuming grantee responsibility for the 2017 HOPWA allocation, and therefore it will not be included in the 2017 allocation below. Resources also include prior year HOPWA funds for the Fresno EMSA that will be committed to projects in the FY 2015-16 program year.

**2019 Substantial Amendment:** Approximately \$27 million in additional disencumbered CDBG funds was made available for HCD's CDBG 2017 Notice of Funding Availability.

### **Anticipated Resources:**

The spreadsheet below shows the anticipated resources. These figures are estimates and may be subject to change based on the allocation the state receives by HUD.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 3				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
<b>CDBG</b>	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$27,488,950	\$0	<b>\$36,940,825</b>	<b>\$64,429,775</b>	\$75,669,320	2017 HUD allocation plus an estimate on prior year CDBG resources.
<b>ESG</b>	public - federal	Conversion and rehab for transitional housing; Financial Assistance Overnight shelter; Rapid re-housing (rental assistance); Rental Assistance Services Transitional housing	\$12,006,375	\$0	\$1,031,531	\$13,037,906	\$22,000,000	2017 anticipated HUD allocation. Note: state regulations prohibit ESG funds to be used for transitional housing or for conversion or rehabilitation activities

<b>HOME</b>	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$31,670,254	\$2,000,000	\$5,000,000	\$38,670,254	\$112,842,822	Allocation amount includes Torrance, Gardena and Lancaster's returned HUD allocations.
<b>HOPWA</b>	public-federal	Permanent housing in facilities, Permanent housing placement, Short term or transitional housing facilities, STRMU Supportive services, TBRA	\$2,962,451	\$0	\$528,731	\$3,491,182	\$5,924,902	The state HOPWA allocation is \$2,962,451 Prior Year Resources include \$95,755 in uncommitted funds for FY 2016-17 from Santa Barbara County and \$52,727 from kern County for FY-16.

<b>LHCP</b>	Public - Referral	Homeowner rehab Multifamily rental rehab	\$1,133,333	\$0	\$0	\$1,133,333	\$ 0.00	The amounts shown are for LHCP. In December 2014, HUD awarded \$3.4 million to CSD for a new 36-month program. Approximately \$3.0 million of the award will be used to provide lead hazard reduction services and \$400,000 of Healthy Homes supplemental funding will be used for other related home hazards for 195 privately owned housing units. This grant will cover 2014-2017. The LHCP Grant is scheduled to be complete by December 14, 2017 and it is not expected
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								that there will be any remaining funds after December 14, 2017.
<b>Other - NHTF</b>	public - federal	Multifamily rental new construction	\$23,228,115	0	\$10,128,143	\$33,356,258	\$33,356,258	The estimated NHTF amount available for the remainder of the ConPlan was derived by taking the average of the FY 2016 and FY 2017 allocations and multiplying by two, the remaining number of years in this ConPlan cycle
<b>CA State ESG Program</b>	State funds	Conversion and rehab for transitional housing; Financial Assistance Overnight shelter; Rapid re-housing (rental assistance); Rental Assistance Services	\$10,500,000	0	0	\$10,500,000	\$21,000,000	2017 state funds available. Note: state program guidelines prohibit ESG funds to be used for transitional housing or for conversion or rehabilitation activities



		Transitional housing						
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Table 4 – Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

**CDBG** –Leverage varies depending upon activities being implemented. For example, for single family homebuyer assistance program activities, Community Development Block Grant (CDBG) funding provides “gap” funding subordinate to the first mortgage. CDBG funding is used to augment or expand existing public service activities. For single family rehabilitation programs, microenterprise programs and business assistance programs, the CDBG program offers large public improvement, economic development or public facility projects leverage additional resources because of the high cost of these types of projects. Lastly, planning activities require matching funds due to state CDBG statute. CDBG matching requirements for FY 2017-18 will be met by state General Fund for \$566,000.

The state recognizes the need to improve the expenditure rate for CDBG. In an effort to increase the expenditure rate, the state is considering or has executed the following items:

- Conduct a thorough analysis of current expenditure patterns.
- Provided a three-day free of charge training to grantees, based on observed deficiencies, with the goal of increasing their ability to draw down grant dollars and administer the program. See **AP-10** for more information.
- Development of model documents, such as standardized Requests for Proposals.
- Continuation of Advisory Committee meetings to get feedback from stakeholders to actively evaluate possible improvements and ways to increase the expenditure rate.

**ESG** – Federal Emergency Solutions Grant (ESG) match is provided by its subrecipients on a dollar-for-dollar basis. Specific sources of match or leverage are identified at the time of application and must comply with [24 CFR §576.201](#). Sources of match may include (1) local funds from cities and counties, (2) private funds including agency fundraising, cash; and (3) donated goods, volunteers, building value or lease.

In 2016 [SB 837 \(§ 72\)](#) made available and authorized the California Emergency Solutions Grants Program (CA ESG) to be administered by the state. Pursuant to [Chapter 19 §50899.1 of Part 2 of Division 31 of the Health and Safety Code](#), these funds will be administered in a manner generally consistent with the requirements of federal ESG funds. CA ESG funds can be used to match federal ESG funds.

**HOME** – In HOME Investment Partnership Program (HOME), the largest source of leverage is Low Income Housing Tax Credits (LIHTC) used with rental new construction projects. Other sources of leverage include private bank loans, state funds, other federal funds, and local funds for both rental and homebuyer activities. For FY 2017, HOME estimates leveraging over \$121 million from other sources. HOME's leverage typically exceeds its match requirement.

**HOPWA** – There is no federal match requirement for Housing Opportunities for Persons With AIDS (HOPWA); however, project sponsors report leveraged funds. On an annual basis, the California Department of Public Health Office of AIDS (CDPH/OA) allocates funding through the HIV Care Program (Ryan White Part B) for HIV/AIDS care and treatment services to California counties. Based on prior year data, state HOPWA anticipates approximately \$4.3 million in leveraged funds by HOPWA project sponsors including Ryan White Part B and other federal, state, local, and private resources for the provision of HIV/AIDS housing and services to HOPWA clients based on the FY 2015-16 Consolidated Annual Performance and Evaluation Report (CAPER) reported number. Resources also include prior year HOPWA funds for the Kern County that will be committed to projects in the FY 2017-18 program year. Although Bakersfield is currently receiving HOPWA funds directly from HUD because of their Eligible Metropolitan Statistical Area (EMSA) status, unspent funds from the previous year resides with CDPH/OA. CDPH/OA plans to execute a contract for these funds with Kern County Public Health, which was the project sponsor responsible for the funds in FY 2015-16.

**NHTF** –The total allocation for National Housing Trust Fund (NHTF) is listed in the Anticipated Resources table on page 19. The Department will combine the FY 2016 and FY 2017 NHTF allocations in one Notice of Funding Availability (NOFA). The state will distribute NHTF funds by selecting applications submitted by eligible recipients. More information can be found in the *Allocation Plan Guide in the Grantee Unique Appendices*. Per [24 CFR §91.320\(k\)\(5\)\(i\)](#) state NHTF programs are required to score more highly eligible applicants that make use of non-federal funding. The Department anticipates non-federal sources of funding could include other state funds, such as Tax Credits. More information can be

found in the revised NHTF *Allocation Plan Guide in the Grantee Unique Appendices* in Appendix D, or in AP-30 of this submission.

**LHCP** – To ensure that Community Based Organizations (CBOs) meet HUD’s required 10 percent match of the \$3.0 million, the CBOs are required to match larger percentages of the net \$2,537,234 provided to them for lead-hazard activities only. This does not include the Healthy Homes set-aside of \$400,000, which requires no match. Match activities must be specifically dedicated to supporting and remediating lead-hazard activities from non-federal resources such as state, local, charitable, nonprofit or for-profit entities, in-kind contributions, private donations, Low Income Weatherization Program (LIWP) and owner’s contribution. The only federal funds that may be considered part of the match requirement are CDBG funds. In FY 2017-18, the Lead Hazard Control Program (LHCP) anticipates a minimum of \$91,890 in match contributions. With the Grant ending December 14, 2017, there will no match contributions remaining after December 14, 2017. CBOs are also required to leverage 5 percent of their grant allocation from various federal sources such as the 1) Low-Income Home Energy Assistance Program, Department of Energy Weatherization Assistance Program, Community Services Block Grant, or other federally funded programs; 2) state, local, charitable, nonprofit or for-profit entities; and 3) in-kind contributions, private donations, LIWP and owner’s contributions. In FY 2017-18, LHCP anticipates a minimum of \$41,580 in leveraging contributions. With the Grant ending December 14, 2017, there will be no leveraging contributions remaining after December 14, 2017.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

Although some localities utilize property that they own to build affordable housing, the state’s Annual Action Plan (AP) does not identify specific projects to be developed or supported since local entities must first apply for and be awarded funding for these projects.

**Discussion**

See above.